

“(i) that—

“(I) is a Venture Capital Operating Company, as that term is defined in regulations promulgated by the Secretary of Labor; or

“(II) is an entity that—

“(aa) is registered under the Investment Company Act of 1940 (15 U.S.C. 80a–51 et seq.); or

“(bb) is an investment company, as defined in section 3(c)(14) of such Act (15 U.S.C. 80a–3(c)(14)), which is not registered under such Act because it is beneficially owned by less than 100 persons; and

“(ii) that is itself organized or incorporated and domiciled in the United States, or is controlled by a business concern that is incorporated and domiciled in the United States.”.

TITLE III—SBIR AND ECONOMIC DEVELOPMENT

SEC. 301. REAUTHORIZATION AND MODERNIZATION OF FEDERAL AND STATE TECHNOLOGY PARTNERSHIP PROGRAM (FAST).

Section 9 of the Small Business Act (15 U.S.C. 638) is amended by inserting after subsection (r) the following:

“(s) OUTREACH AND SUPPORT ACTIVITIES.—

“(1) IN GENERAL.—Subject to the other provisions of this subsection, the Administrator shall make grants on a competitive basis to organizations, to be used by the organizations to do one or both of the following:

“(A) To conduct outreach efforts to increase participation in the programs under this section.

“(B) To provide application support and entrepreneurial and business skills support to prospective participants in the programs under this section.

“(2) PROGRAM AUTHORITY.—Of the amounts made available to carry out this section for each of fiscal years 2009 through 2010, the Administrator may expend not more than \$10,000,000 in each such fiscal year to carry out paragraph (1).

“(3) AMOUNT OF ASSISTANCE.—For each of subparagraphs (A) and (B) of paragraph (1), the amount of assistance provided to an organization under that subparagraph in any fiscal year—

“(A) shall be equal to the total amount of matching funds from non-Federal sources provided by the organization; and

“(B) shall not exceed \$250,000.

“(4) DIRECTION.—An organization receiving funds under paragraph (1) shall, in using those funds, direct its activities at one or both of the following:

“(A) Small business concerns located in geographic areas that are underrepresented in the programs under this section.

“(B) Small business concerns owned and controlled by women, small business concerns owned and controlled by service-disabled veterans, and small business concerns owned and controlled by minorities.

“(5) ADVISORY BOARD.—

“(A) ESTABLISHMENT.—Not later than 90 days after the date of the enactment of this subsection, the Administrator shall establish an advisory board for the activities carried out under this subsection.

“(B) NON-APPLICABILITY OF FACA.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the advisory board.

“(C) MEMBERS.—The members of the advisory board shall include the following:

“(i) The Administrator (or the Administrator's designee).

“(ii) For each Federal agency required by this section to conduct an SBIR program, the head of the agency (or the designee of the head of the agency).

“(iii) Representatives of small business concerns that are current or former recipients of SBIR awards, or representatives of organizations of such concerns.

“(iv) Representatives of service providers of SBIR outreach and assistance, or representatives of organizations of such service providers.

“(D) DUTIES.—The advisory board shall have the following duties:

“(i) To develop guidelines for awards under paragraph (1)(A), including guidelines relating to award sizes, proposal requirements, metrics for monitoring awardee performance, and metrics for measuring overall value of the activities carried out by the awardees.

“(ii) To identify opportunities for coordinated outreach, technical assistance, and commercialization activities among Federal agencies, the recipients of the awards under paragraph (1)(A), and applicants and recipients of SBIR awards, including opportunities such as—

“(I) podcasting or webcasting for conferences, training workshops, and other events;

“(II) shared online resources to match prospective applicants with the network of paragraph (1)(A) recipients; and

“(III) venture capital conferences tied to technologies and sectors that cross agencies.

“(iii) To review and recommend revisions to activities under paragraph (1)(A).

“(iv) To submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business and the Committee on Science and Technology of the House of Representatives an annual report on the activities carried out under paragraph (1)(A) and the effectiveness and impact of those activities.

“(6) SELECTION CRITERIA.—In awarding grants under this subsection, the Administrator shall use selection criteria developed by the advisory board established under paragraph (5). The criteria shall include—

“(A) criteria designed to give preference to applicants who propose to carry out activities that will reach either an underperforming geographic area or an underrepresented population group (as measured by the number of SBIR applicants);

“(B) criteria designed to give preference to applicants who propose to carry out activities that complement, and are integrated into, the existing public-private innovation support system for the targeted region or population; and

“(C) criteria designed to give preference to applicants who propose to measure the effectiveness of the proposed activities.

“(7) PEER REVIEW.—In awarding grants under this subsection, the Administrator shall use a peer review process. Reviewers shall include—

“(A) SBIR program managers for agencies required by this section to conduct SBIR programs; and

“(B) private individuals and organizations that are knowledgeable about SBIR, the innovation process, technology commercialization, and State and regional technology-based economic development programs.

“(8) PER-STATE LIMITATIONS.—

“(A) IN GENERAL.—To be eligible to receive a grant under this subsection, the applicant must have the written endorsement of the Governor of the State where the targeted regions or populations are located (if the regions or populations are located in more than one State, the applicant must have the written endorsement of the Governor of each such State). Such an endorsement must indicate that the Governor will ensure that the activities to be carried out under the grant will be integrated with the balance of the State's portfolio of investments to help small business concerns commercialize technology.

“(B) LIMITATION.—Each fiscal year, a Governor may have in effect not more than one written endorsement for a grant under paragraph (1)(A), and not more than one written endorsement for a grant under paragraph (1)(B).

“(9) SPECIFIC REQUIREMENTS FOR FAST AWARDS.—In making awards under paragraph (1)(A) (to be known as ‘FAST’ awards) the Administrator shall ensure the following:

“(A) GOALS.—Priority shall be given applications that address one or more of the following goals:

“(i) Increasing the number of SBIR applications from underperforming geographic areas (as measured by the number of SBIR applicants).

“(ii) Increasing the number of SBIR applications from underrepresented population groups (as measured by the number of SBIR applicants).

“(B) DURATION.—Each award shall be for a period of 2 fiscal years. The Administrator shall establish rules and performance goals for the disbursement of funds for the second fiscal year, and funds shall not be disbursed to a recipient for such a fiscal year until after the advisory board established under this subsection has determined that the recipient is in compliance with the rules and performance goals.”.

SEC. 302. OBTAINING SBIR APPLICANT'S CONSENT TO RELEASE CONTACT INFORMATION TO ECONOMIC DEVELOPMENT ORGANIZATIONS.

Section 9 of the Small Business Act (15 U.S.C. 638) is amended in subsection (s) (as added by this title) by adding at the end the following:

“(5) CONSENT TO RELEASE CONTACT INFORMATION TO ORGANIZATIONS.—

“(A) ENABLING CONCERN TO GIVE CONSENT.—Each Federal agency required by this section to conduct an SBIR program shall enable a small business concern that is an SBIR applicant to indicate to the agency whether the agency has its consent to—

“(i) identify the concern to appropriate local and State-level economic development organizations as an SBIR applicant; and

“(ii) release the concern's contact information to such organizations.

“(B) RULES.—The Administrator shall establish rules to implement this paragraph. The rules shall include a requirement that the agency include in its SBIR application forms a provision through which the applicant can indicate consent for purposes of subparagraph (A).”.

TITLE IV—ADVANCING COMMERCIALIZATION OF SBIR-FUNDED RESEARCH

SEC. 401. CLARIFYING THE DEFINITION OF “PHASE THREE”.

Section 9(e) of the Small Business Act (15 U.S.C. 638(e)) is amended—

(1) in paragraph (4)(C)—

(A) in the matter preceding clause (i) by inserting after “a third phase” the following: “, which shall consist of work that derives from, extends, or logically concludes efforts performed under prior SBIR funding agreements (which may be referred to as ‘Phase III’)”; and

(B) in clause (i) by inserting after “non-SBIR Federal funding awards” the following: “: Provided, That for purposes of this clause, such sources of capital and such funding awards include private investment, private research, development, testing, and evaluation (RDT&E) awards, private sales or licenses, government RDT&E contracts and awards, and government sales”;

(2) in paragraph (8) by striking “and” at the end;

(3) in paragraph (9) by striking the period at the end and inserting “; and”; and

(4) by adding at the end the following:

“(10) the term ‘commercialization’ means the process of developing marketable products or services and producing and delivering products or services for sale (whether by the originating party or by others) to government or commercial markets.”.

SEC. 402. AGENCY RESEARCH GOALS.

Section 9 of the Small Business Act (15 U.S.C. 638) is amended by striking subsection (h) and inserting the following:

“(h) AGENCY RESEARCH GOALS.—

“(1) IN GENERAL.—In addition to the requirements of subsection (f), each Federal agency that is required by this section to have an SBIR program and that awards annually \$5,000,000,000 or more in procurement contracts shall, effective for fiscal year 2009 and each fiscal year thereafter, establish annual goals for commercialization of projects funded by SBIR awards.

“(2) SPECIFIC GOALS.—The goals required by paragraph (1) shall include specific goals for each of the following: